To:	Reporting Official
From:	Kentucky Retirement Systems
Date:	August 31, 2009
Subject:	**Important Changes to Employer Reporting**

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KRS has been actively creating awareness among employers through various conferences, KRS newsletters, focus groups, and a letter sent to each reporting official regarding upcoming changes to employer reporting from the ongoing START project. This project, also known as the **S**trategic **T**echnology **A**dvancements for the **R**etirement of **T**omorrow (START), will replace the technology tools that KRS has been using for almost 30 years. Although our current systems have served our staff and our customers effectively, now is the time for KRS to modernize its practices and technologies. START will significantly alter the way KRS conducts business and serves its' customers, all of whom will be linked by the new, web-based system.

The current phase of the START Project, Active Member Implementation and Employer Reporting, will have the most impact on you and your employees.   The key goals of the Employer Reporting phase include the implementation of electronic reporting of monthly wage and service reports and the electronic submission of monthly contributions via Electronic Funds Transfer – debit (EFT). Communications regarding the electronic submission of monthly contributions (EFT) will be sent at a later date.

Benefits for Employers

The changes in Employer Reporting will provide many advantages to our employers:

- Through the information gathered in the monthly wage and service reports, KRS will be able to minimize the number of calls and letters that employers receive from KRS staff.
- The need for manual completion of forms will be greatly reduced and some forms will be eliminated.
- Employer unit numbers have been consolidated where possible; therefore, each month, only one report per employer will be required of most employers.
- Supplemental wage reports will no longer be accepted.
- START will be able to provide employers with the contribution rates for new hires without the employer calling KRS.
- Employers will have greater ease correcting erroneous payroll records and submitting prior period adjustments and retroactive payments.

Through START Employer Reporting, employers will be able to provide accurate and timely information to KRS. In time, this should greatly reduce the time and effort currently required from the designated reporting official and improve the service KRS is able to offer our members.

START Employer Reporting Methods

With START, employers will have two reporting options:

A) To report monthly wage and service information securely **via Web Self-Service** *(recommended if the employer has less than 100 employees)*

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B) To report monthly wage and service information **via the submission of a file (Employer Contribution Record Layout)** created by the employer and submitted electronically and securely *(recommended if the employer currently reports via file layout or has more than 100 employees)*

The current methods of reporting monthly wage and service information via paper, KRSPay4, and diskette will no longer be offered once START goes live.

For those employers who will report monthly wage and service information via the Employer Contribution Record Layout, the new file layout has been finalized, and is available for employers to begin programming. The Employer Contribution Record Layout may be found at http://kyret.ky.gov. *Please forward this information to your IT staff and/or third party file provider to begin development of the new file layout.* For questions regarding the file layout, including IT support for file providers and/or developers, a KRS Help Desk is available at 1-888-696-8810, prompt #4.

For those employers who choose to report monthly wage and service information via **Web Self-Service**, please review the file layout to determine which fields will be required in START. The same fields will also be required of those reporting via Web Self-Service. Once the Web Self-Service design is finalized, more information will be forwarded regarding the features of this method.

Development and Testing

For those employers planning to report via an electronic file, a minimum of six months will be allotted for the development of the file prior to the beginning of the testing period.

A testing period will follow, which is also planned to continue for a minimum of six months. A file will be required to pass the testing and certification procedures of KRS before an employer will be permitted to report via submission of an electronic file. More information regarding the testing period will be sent at a later date.

What's Next?

In the upcoming months, KRS plans to conduct **START Orientation meetings** to present an overview of the new employer reporting methods. These meetings will present a sneak peek at the web self-service features as well as answer questions regarding the file layout in order to assist your agency in deciding the best method in which to report monthly wage and service information. The START Orientation meeting schedule will be published in the September KRS Newsletter, as well as posted on KRS' website when available.

Following the development and testing periods, **START Employer Reporting Training** sessions will be held at various locations around the Commonwealth. A schedule will be sent to all reporting officials at that time. Additionally, the latest information for employers regarding START (including meeting/training schedules) will be posted to our website at http://kyret.ky.gov and we encourage you to visit this site often.

For START related questions, you may contact KRS at:

Employer Hotline: 1-888-696-8810

Employer e-mail: STARTEmployerHelp@kyret.ky.gov

Address: ATTN: START Project
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